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EXAMINER

LAstra, DANIEL

ART UNIT	PAPER NUMBER
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3622

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PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

09/818,400

Applicant(s)

MACLEAN ET AL.

Examiner

DANIEL LASTRA

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 30 May 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-4, 13, 14 and 21-28 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-4, 13, 14 and 21-28 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. Claims 1-4, 13-14 and 21-28 have been examined. Application 09/818,400 (APPARATUS AND METHOD OF FACILITATING THE EXCHANGE OF POINTS BETWEEN SELECTED ENTITIES) has a filing date 03/27/2001.

Response to Amendment

2. In response to Non Final Rejection filed 12/01/2006, the Applicant filed an Amendment on 05/30/2007, which amended claim 1.

Claim Objections

3. Claim 28 is objected because it goes from step b) to step d) without having a step c) and because it is marked as "(Currently amended)" but it was not amended.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000.

Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

Claims 1-4, 13-14 and 21-28 are rejected under 35 U.S.C. 102(e) as being anticipated by Postrel (U.S. 6,594,640).

As per claim 1, Postrel teaches:

A method of managing a first points issuer and a second points issuer, wherein first points are issued by the first points issuer and differ from the second points that are issued by the second points issuer, said managing method is implemented by a computer programmed to effect the following steps of:

(a) a customer setting a first number of the first points to be *sold* (see column 4, lines 3-45; col 9, lines 1-12);

(b) the first points issuers setting the point withdrawal rate of the first points and the second point issuer setting the deposit rate of the second points, each of said withdrawal rate and of said deposit rate being indicative of the monetary value of each of the first points and each of the second points respectively (see col 3, lines 32-37 "exchange rate"; col 9, lines 5-15 "conversion rate"; col 9, lines 49-55 "discount rate"). In Postrel, points are exchanged from one reward entity to another at a conversion rate, where points are withdrawn from a first reward entity and are deposited into another reward entity (i.e. partner or associated air carrier¹) based upon an exchange rate². Therefore, Postrel allows points issuers who originally sold reward points in their program for use an incentive by third parties to repurchase points at a substantial

¹ Postrel col 8, lines 27-38

discount, thereby reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased³.

(c) determining a second number of the second points based upon the point withdrawal and rate of the first points issuer, the deposit rate of the second points issuer and the first number of the first points (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 7, lines 35-40; column 7, lines 63-67); and

(d) *exchanging the first number of the first points from the first point issuer to the second point issuer* (see column 4, lines 3-45; column 3, lines 35-45; column 5, lines 35-40; column 6, lines 37-47; column 10-12; column 15-20; column 11, line 60 – column 12, line 8). In Postrel, when a user makes a redemption request to a reward server for available points or value, said reward server repurchased said points at a discount or withdrawal rate⁴, where the value obtained from said repurchased is used to buy points from another point issuers at a conversion rate (i.e. deposit rate). Therefore, Postrel teaches a withdrawal and a deposit rate, as Postrel withdraws points from a first point issuer at a discount rate and uses a conversion rate to transform said points from said first point issuer to points that would be accepted (i.e. deposited) by another point issuer.

As per claim 2, Postrel teaches:

The method of managing as claimed in claim 1, wherein said step c) of determining the equivalent number of the second points comprises the substeps of:

² Postrel col 3, 30-35

(i) determining the monetary value of the first number of first points as the product of the first number of first points and the point withdrawal rate of the first points issuer (see column 9, lines 1-15; column 10, lines 15-20;). Postrel teaches that a user request for redemption contains a value to be redeemed, which consists withdrawing points from one point issuer and depositing said points at another issuer using a conversion rate⁵; and

(ii) determining the equivalent number of the second points as the quotient of the monetary value of the first number of first points divided by the point depositing rate of the second points issuer (see column 9, lines 10-15; column 10, lines 15-30). Postrel allows issuers who originally sold reward points in their program for use as an incentive by third parties to repurchase points at a substantial discount, thereby reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased⁶. Therefore, Postrel teaches a withdrawal and a deposit rate because Postrel withdraws points from a first point issuer at a discount rate and uses a conversion rate to transform said points from said first point issuer to points that would be accepted (i.e. deposited) by another point issuer.

As per claim 3, Postrel teaches:

A system for managing first and second points issuers, first points are issued by a first point issuer and differ from second points that are issued by the second point issuer, said managing system comprising:

³ Postrel col 5, lines 60-67

⁴ Postrel col 9, lines 49-55

⁵ Postrel col 9, lines 1-15, col 8, lines 25-40

⁶ Postrel col 5, lines 60-67

(a) a first terminal having a first terminal database for storing an account of the customer's first points (see figures 4 and 5);

(b) a second terminal having a second terminal database for storing an account of the customer's second points (see col 7, lines 35-40); and

(c) a transaction center having a center input and a central computer programmed to effect the following steps:

(i) the customer setting via said center input a first number of first points to be sold (see figure 4, item 20);

(ii) the first point issuer setting a point withdrawal rate of the first points and the second point issuer setting a point deposit rate of the second points, each of said withdrawal rate and said deposit rate being indicative of the monetary value of each of their first points and the monetary value of each of their second points respectively (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20);

(iii) determining an equivalent number of the second points based upon the point withdrawal and rate of the first points issuer, the point deposit rate of the second point issuer, and the first number of the first points (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20); and

(iv) providing respectively to said first and second points issuer a first transaction message to withdraw the first number of first points from said first terminal database and to deposit the equivalent number of second points in said second terminal

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database (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 10-12; column 10, lines 15-20).

As per claim 4, Postrel teaches:

The program managing system as claimed in claim 3, wherein said transaction center further responds to the first transaction message to convert the first number of first points into an equivalent second number of second points and to deposit the second number of second points in said second terminal database of said second terminal (see column 3, lines 35-55; column 6, lines 37-67; column 7, lines 37-40; column 9, lines 1-12; "conversion rate").

As per claim 13, Postrel teaches:

A method of managing first and second points issuers, each of the first point issuer issuing first points and the second point issuer issuing second points at exchange rates set by the first and second point issuers respectively, said points exchanging method is implemented by a computer programmed to effect the following steps of

(a) entering first and second exchange rates by the first and second point issuers respectively (see column 3, line 35 – column 4, line 45; column 6, lines 35-67; column 10, lines 15-20; col 11, lines 25-30 "parameters to restrict the offer, such as exchange rate");

(b) entering a customer's request for buying first points and selling second points (see column 8, line 65 – col 9, line 20);

(c) determining the presence or absence of each of the first and second exchange rates (see column 4, lines 1-45; col 9, lines 1-15 "processor of the reward server may perform actions that may allow or refuse the requested action"); and

(d) blocking the selling and/or buying of points in the absence of either of the first or second exchange rates (see column 4, lines 1-45; column 9, lines 5-7). In Postrel, if there is not a conversion rate, there can be not exchanged between points of different points issuers.

As per claim 14, Postrel teaches:

A system for managing a loyalty points program at an exchange rate set by a proprietor of the point program, said system comprising:

(a) at least one terminal associated with the points program and comprising a terminal input, a terminal database and a terminal server programmed at least in part to effect the following effects:

(i) respond to a customer request to withdraw from and/or deposit points into said one terminal (see column 6, lines 1-52),

(ii) a point program proprietor entering and storing in said terminal database of exchange rates for the points of the loyalty points program (see column 6, lines 1-52); and

(iii) detect the absence of the exchange rates for the points program to transmit a blocking signal (see column 4, lines 1-45; col 3, lines 32-37). In Postrel an exchange rate is established for the relative consideration received by the companies

involved in the transaction, therefore, if there is not exchange rate or conversion rate, there is not a exchange between points.

(b) a transaction center coupled by a data transmission path to said one terminal and comprising a center input and a center server programmed to effect the following steps:

(i) respond to a customer request on said center input for transmitting via the data transmission path to said one terminal the customer request whereby points are withdrawn and/or deposited into the loyalty point program associated with said one terminal (see column 6, lines 1-55); and

(ii) respond to the blocking signal to prevent the transmission of the customer request (see column 4, lines 1-45; col 9, lines 1-10; "processor of the reward server may perform actions that may allow or refuse the requested action"⁷).

Claim 21, Postrel teaches:

A method of managing a first points issuer and a second points issuer, wherein first points are issued by the first points issuer, and second points are issued by the second points issuer and differ from the first points, said managing method is implemented at least in part by a computer programmed to effect the following steps of

a) a customer setting a first number of the first points to be sold (see col 9, lines 1-15);

b) the first points issuer setting its point withdrawal rate of the first points and the second point issuer setting its deposit rate of the second points to reflect respectively

⁷ Postrel col 9, lines 1-7

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the monetary value of each of the first and second points in a common currency (see col 3, lines 32-37 "exchange rate"; col 9, lines 5-15 "conversion rate"; col 9, lines 49-55 "discount rate"). In Postrel, points are exchanged from one reward entity to another at a conversion rate, where points are withdrawn from a first reward entity and are deposited into another reward entity (i.e. partner or associated air carrier⁸) based upon an exchange rate⁹. Therefore, Postrel allows points issuers who originally sold reward points in their program for use as an incentive by third parties to repurchase points at a substantial discount, thereby reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased¹⁰;

c) transmitting the common currency of determined monetary value to the second points issuer (see col 7, lines 35-40);

d) determining the monetary value of the common currency transmitted from the first points issuer to the second points issuer as a function of the point withdrawal rate of the first points and the set first number of first points to be sold (see col 3, lines 30-40); and

e) determining the number of second points to be deposited with the second points issuer as a function of the monetary value the transmitted common currency and the deposit rate of the second points issuer (see col 9, lines 1-10). In Postrel, when a user makes a redemption request to a reward server for available points or value, said reward server repurchased said points at a discount or withdrawal rate¹¹ and the user

⁸ Postrel col 8, lines 27-38

⁹ Postrel col 3, 30-35

¹⁰ Postrel col 5, lines 60-67

¹¹ Postrel col 9, lines 49-55

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uses the value obtained from said repurchased to buy points from another point issuer at a conversion rate. Therefore, Postrel teaches a withdrawal and a deposit rate because Postrel withdraws points at a discount rate from one point issuer and uses a conversion rate to transform said points to points that would be accepted (i.e. deposited) by another point issuer.

Claim 22, Postrel teaches:

The method of managing as claimed in claim 21, wherein the first points issuer has a first database for storing an account of the customer's first points; and a second points issuer has a second database for storing an account of the customer's second points (see col 7, lines 35-40; figure 4, item 52).

Claim 23, Postrel teaches:

The method of managing as claimed in claim 22, wherein said method further comprises the step of depositing the determined number of second points in to the second database (see col 7, lines 35-42; col 11, line 60 – col 12, line 5).

Claim 24, Postrel teaches:

The method of using a monetary currency to redeem first points of a first loyalty point program and to purchase second points of a second loyalty program, the first loyalty point program comprises a first issuer of the first loyalty points, the second loyalty program comprises a second issuer of the second loyalty points, at least one of the first loyalty points differing from the second loyalty points, the monetary currency using method is implemented at least in part by a computer programmed to effect the following steps of

a) the first and second issuers respectively setting a first withdrawal rate for the first loyalty point program and a second deposit rate for the second loyalty point program In Postrel, points are exchanged from one reward entity to another at a conversion rate, where points are withdrawn from a first reward entity and are deposit into another reward entity (i.e. partner or associated air carrier¹²) based upon an exchange rate¹³. Therefore, Postrel allows points issuers who originally sold reward points in their program for use an incentive by third parties to repurchase points at a substantial discount, thereby reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased¹⁴;

b) a member of the first loyalty program setting a first number of the first points to be redeemed (see col 9, lines 1-10);

c) determining as a function of the first number of the first points and the first withdrawal rate, the monetary value of the first number of the first points as a determined amount of the monetary currency (see col 9, lines 1-10; "conversion rate"; and

d) determining a second number of the second points to be purchased as a function of the determined amount of monetary currency and the second deposit rate. Postrel allows issuers who originally sold reward points in their program for use as an incentive by third parties to repurchase points at a substantial discount, thereby

¹² Postrel col 8, lines 27-38

¹³ Postrel col 3, 30-35

¹⁴ Postrel col 5, lines 60-67

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reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased¹⁵.

Claim 25, Postrel teaches:

The method of managing as claimed in claim 24, wherein each of the first and second loyalty programs has a plurality of corresponding members and comprises a database, each database with a plurality of corresponding files, each file for storing the loyalty points that were accumulated by the corresponding member of its loyalty program (see col 5, lines 35-50).

Claim 26, Postrel teaches:

The method of managing as claimed in claim 25 wherein step b) transmits currency to the file of the corresponding member of the second loyalty program (see col 7, lines 35-40).

Claim 27, Postrel teaches:

The method of managing as claimed in claim 26, wherein there is further included a step of providing an interface to implement step c) of determining the value of the number of the first points and step d) for determining the number of second points, the interface operating independently the first and second point issuers (see col 8, lines 25-40).

Claim 28, Postrel teaches:

The method of using a common monetary currency to manage a plurality of loyalty point programs, each loyalty program comprises a loyalty points issuer, at least

¹⁵ Postrel col 5, lines 60-67

one of the plurality of loyalty points issuers issuing first points, at least another of the plurality of loyalty points issuer issuing second points that differ from the first points, the monetary currency using method is implemented at least in part by a computer programmed to effect the following steps of

a) each of the plurality of points issuers setting a withdrawal rate and a deposit rate for its loyalty program (see col 9, lines 1-20);

b) a member of a related loyalty program setting a first number of the its loyalty points to be redeemed (see col 9, lines 1-10);

d) determining as a function of the set number of loyalty points and the deposit rate of the related loyalty program, the monetary value of the set number of points as a determined amount of the monetary currency (see col 3, lines 32-37 "exchange rate"; col 9, lines 5-15 "conversion rate"; col 9, lines 49-55 "discount rate"). In Postrel, points are exchanged from one reward entity to another at a conversion rate, where points are withdrawn from a first reward entity and are deposit into another reward entity (i.e. partner or associated air carrier¹⁶) based upon an exchange rate¹⁷. Therefore, allows points issuers who originally sold reward points in their program for use an incentive by third parties to repurchase points at a substantial discount, thereby reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased¹⁸; and

e) determining a second number of points to be purchased as a function of the determined amount of monetary currency and the deposit rate of the related loyalty

¹⁶ Postrel col 8, lines 27-38

program (see col 9, lines 1-20). In Postrel, when a user makes a redemption request to a reward server for available points or value, said reward server repurchased said points at a discount or withdrawal rate¹⁹ and the user use the value obtained from said repurchased to buy points from another point issuer at a conversion rate. Therefore, Postrel teaches a withdrawal and a deposit rate, where points are withdrawn from a user's reward account at a discount rate and are converted and deposited into another point issuer account at a conversion rate.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in a patent granted on an application for patent by another filed in the United States before the invention thereof by the applicant for patent, or on an international application by another who has fulfilled the requirements of paragraphs (1), (2), and (4) of section 371(c) of this title before the invention thereof by the applicant for patent.

The changes made to 35 U.S.C. 102(e) by the American Inventors Protection Act of 1999 (AIPA) and the Intellectual Property and High Technology Technical Amendments Act of 2002 do not apply when the reference is a U.S. patent resulting directly or indirectly from an international application filed before November 29, 2000. Therefore, the prior art date of the reference is determined under 35 U.S.C. 102(e) prior to the amendment by the AIPA (pre-AIPA 35 U.S.C. 102(e)).

¹⁷ Postrel col 3, 30-35

¹⁸ Postrel col 5, lines 60-67

¹⁹ Postrel col 9, lines 49-55

Claims 1-4, 13-14 and 21-28 are rejected under 35 U.S.C. 102(e) as being anticipated by Lee (US 2001/0054006).

As per claim 1, Lee teaches:

A method of managing a first points issuer and a second points issuer, wherein first points are issued by the first points issuer and differ from the second points that are issued by the second points issuer, said managing method is implemented by a computer programmed to effect the following steps of:

(a) a customer setting a first number of the first points to be *sold* (see figures 4 and 5);

(b) the first points issuers setting the point withdrawal rate of the first points and the second point issuer setting the deposit rate of the second points, each of said withdrawal rate and of said deposit rate being indicative of the monetary value of each of the first points and each of the second points respectively (see figures 4 and 5);

(c) determining a second number of the second points based upon the point withdrawal and rate of the first points issuer, the deposit rate of the second points issuer and the first number of the first points (see figures 4 and 5); and

(d) *exchanging the first number of the first points from the first point issuer to the second point issuer* (see figures 4 and 5).

As per claim 2, Lee teaches:

The method of managing as claimed in claim 1, wherein said step c) of determining the equivalent number of the second points comprises the substeps of:

(i) determining the monetary value of the first number of first points as the product of the first number of first points and the point withdrawal rate of the first points issuer (see figures 4 and 5); and

(ii) determining the equivalent number of the second points as the quotient of the monetary value of the first number of first points divided by the point depositing rate of the second points issuer (see figures 4 and 5).

As per claim 3, Lee teaches:

A system for managing first and second points issuers, first points are issued by a first point issuer and differ from second points that are issued by the second point issuer, said managing system comprising:

(a) a first terminal having a first terminal database for storing an account of the customer's first points (see figures 4 and 5);

(b) a second terminal having a second terminal database for storing an account of the customer's second points (see figures 4 and 5); and

(c) a transaction center having a center input and a central computer programmed to effect the following steps:

(i) the customer setting via said center input a first number of first points to be sold (see figures 4 and 5);

(ii) the first point issuer setting a point withdrawal rate of the first points and the second point issuer setting a point deposit rate of the second points, each of said withdrawal rate and said deposit rate being indicative of the monetary value of each of

their first points and the monetary value of each of their second points respectively (see figures 4 and 5);

(iii) determining an equivalent number of the second points based upon the point withdrawal and rate of the first points issuer, the point deposit rate of the second point issuer, and the first number of the first points (see figures 4 and 5) and

(iv) providing respectively to said first and second points issuer a first transaction message to withdraw the first number of first points from said first terminal database and to deposit the equivalent number of second points in said second terminal database (see figures 4 and 5).

As per claim 4, Lee teaches:

The program managing system as claimed in claim 3, wherein said transaction center further responds to the first transaction message to convert the first number of first points into an equivalent second number of second points and to deposit the second number of second points in said second terminal database of said second terminal (see figures 4 and 5).

As per claim 13, Lee teaches:

A method of managing first and second points issuers, each of the first point issuer issuing first points and the second point issuer issuing second points at exchange rates set by the first and second point issuers respectively, said points exchanging method is implemented by a computer programmed to effect the following steps of

(a) entering first and second exchange rates by the first and second point issuers respectively (see figures 4 and 5);

(b) entering a customer's request for buying first points and selling second points (see figures 4 and 5);

(c) determining the presence or absence of each of the first and second exchange rates (see figures 4 and 5); and

(d) blocking the selling and/or buying of points in the absence of either of the first or second exchange rates (see figures 4 and 5).

As per claim 14, Lee teaches:

A system for managing a loyalty points program at an exchange rate set by a proprietor of the point program, said system comprising:

(a) at least one terminal associated with the points program and comprising a terminal input, a terminal database and a terminal server programmed at least in part to effect the following effects:

(i) respond to a customer request to withdraw from and/or deposit points into said one terminal (see figures 4 and 5),

(ii) a point program proprietor entering and storing in said terminal database of exchange rates for the points of the loyalty points program (see figures 4 and 5); and

(iii) detect the absence of the exchange rates for the points program to transmit a blocking signal (see figures 4 and 5); and

(b) a transaction center coupled by a data transmission path to said one terminal and comprising a center input and a center server programmed to effect the following steps:

(i) respond to a customer request on said center input for transmitting via the data transmission path to said one terminal the customer request whereby points are withdrawn and/or deposited into the loyalty point program associated with said one terminal (see figures 4 and 5); and

(ii) respond to the blocking signal to prevent the transmission of the customer request (see figures 4 and 5).

Claim 21, Lee teaches:

A method of managing a first points issuer and a second points issuer, wherein first points are issued by the first points issuer, and second points are issued by the second points issuer and differ from the first points, said managing method is implemented at least in part by a computer programmed to effect the following steps of

a) a customer setting a first number of the first points to be sold (see figures 4 and 5 ;

b) the first points issuer setting its point withdrawal rate of the first points and the second point issuer setting its deposit rate of the second points to reflect respectively the monetary value of each of the first and second points in a common currency (figures 4 and 5);

c) transmitting the common currency of determined monetary value to the second points issuer (see figures 4 and 5);

d) determining the monetary value of the common currency transmitted from the first points issuer to the second points issuer as a function of the point withdrawal rate of

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the first points and the set first number of first points to be sold (see figures 4 and 5);
and

e) determining the number of second points to be deposited with the second points issuer as a function of the monetary value the transmitted common currency and the deposit rate of the second points issuer (see figures 4 and 5).

Claim 22, Lee teaches:

The method of managing as claimed in claim 21, wherein the first points issuer has a first database for storing an account of the customer's first points; and a second points issuer has a second database for storing an account of the customer's second points (see figures 4 and 5).

Claim 23, Lee teaches:

The method of managing as claimed in claim 22, wherein said method further comprises the step of depositing the determined number of second points in to the second database (see figures 4 and 5).

Claim 24, Lee teaches:

The method of using a monetary currency to redeem first points of a first loyalty point program and to purchase second points of a second loyalty program, the first loyalty point program comprises a first issuer of the first loyalty points, the second loyalty program comprises a second issuer of the second loyalty points, at least one of the first loyalty points differing from the second loyalty points, the monetary currency using method is implemented at least in part by a computer programmed to effect the following steps of

a) the first and second issuers respectively setting a first withdrawal rate for the first loyalty point program and a second deposit rate for the second loyalty point program (see figures 4 and 5);

b) a member of the first loyalty program setting a first number of the first points to be redeemed (see figures 4 and 5);

c) determining as a function of the first number of the first points and the first withdrawal rate, the monetary value of the first number of the first points as a determined amount of the monetary currency (see figures 4 and 5); and

d) determining a second number of the second points to be purchased as a function of the determined amount of monetary currency and the second deposit rate (see figures 4 and 5).

Claim 25, Lee teaches:

The method of managing as claimed in claim 24, wherein each of the first and second loyalty programs has a plurality of corresponding members and comprises a database, each database with a plurality of corresponding files, each file for storing the loyalty points that were accumulated by the corresponding member of its loyalty program (see figures 4 and 5).

Claim 26, Lee teaches:

The method of managing as claimed in claim 25, wherein step b) transmits currency to the file of the corresponding member of the second loyalty program (see figures 4 and 5).

Claim 27, Lee teaches:

The method of managing as claimed in claim 26, wherein there is further included a step of providing an interface to implement step c) of determining the value of the number of the first points and step d) for determining the number of second points, the interface operating independently the first and second point issuers (see figures 4 and 5).

Claim 28, Lee teaches:

The method of using a common monetary currency to manage a plurality of loyalty point programs, each loyalty program comprises a loyalty points issuer, at least one of the plurality of loyalty points issuers issuing first points, at least another of the plurality of loyalty points issuer issuing second points that differ from the first points, the monetary currency using method is implemented at least in part by a computer programmed to effect the following steps of

a) each of the plurality of points issuers setting a withdrawal rate and a deposit rate for its loyalty program (see figures 4 and 5);

b) a member of a related loyalty program setting a first number of the its loyalty points to be redeemed (see figures 4 and 5).

d) determining as a function of the set number of loyalty points and the deposit rate of the related loyalty program, the monetary value of the set number of points as a determined amount of the monetary currency (see figures 4 and 5); and

e) determining a second number of points to be purchased as a function of the determined amount of monetary currency and the deposit rate of the related loyalty program (see figures 4 and 5).

Response to Arguments

6. Applicant's arguments filed 05/30/2007 have been fully considered but they are not persuasive. The Applicant argues that Postrel does not teach withdrawal and depositing rates. The Applicant further argues that his claimed invention uses two exchange rates and Postrel uses a single exchange rate. The Examiner answers that in Postrel, points are exchanged from one reward entity to another at a conversion rate, where points are withdrawn from a first reward entity and are transferred or deposited²⁰ into another reward entity (*i.e.* partner or associated air carrier²¹) using an exchange rate²². Postrel allows points issuers who originally sold reward points in their program for use an incentive by third parties to repurchase points at a substantial discount, thereby reducing their liability and allowing for a trading strategy that enables points to continually be sold and repurchased²³. Therefore, when in Postrel a user makes a redemption request to a reward server for available points or value, said reward server repurchased said points at a discount or withdrawal rate²⁴, where the value obtained from said repurchased is used to buy points from another point issuers at a conversion rate (*i.e.* deposit rate). Therefore, Postrel teaches a withdrawal and a deposit rate, as Postrel withdraws points from a first point issuer at a withdrawal rate (*i.e.* point issuer buys the points at discount rate) and uses a conversion rate to transform said points from said first point issuer to points that would be accepted (*i.e.* deposited) by another point issuer at a deposit rate.

²⁰ Postrel col 7, lines 35-42

²¹ Postrel col 8, lines 27-38

²² Postrel col 3, 30-35

²³ Postrel col 5, lines 60-67

The Applicant argues that Postrel does not teach at least two issuers may set the price of its respective withdrawal rates and deposit rates. The Examiner answers that Postrel teaches allowing issuers of reward points to take point off the book and eliminate them, if desired at a discount rate²⁵, an exchange rate will be established for the relative consideration received by the companies involved in the transaction²⁶ and the reward server may refuse a redemption request²⁷. Therefore, in Postrel the points issuers indicate the consideration of the exchange rate that would accepted to perform a conversion from one point value to another.

The Applicant argues that Applicants disclose two different rates, that functionally differ from Postrel's one "conversion or exchange rate". The Examiner answers that Postrel teaches two exchange rate, the rate when points are withdrawn from a point issuer and the rate when said withdrawn points are used (*i.e.* deposited) into another point issuer (*i.e.* associate airline) in order to buy products from said associated airlines with said points (see col 11, lines 60-67) and where said withdrawal and deposit is done at a conversion rate. Therefore, contrary to Applicant's argument, Postrel teaches two different rates.

The Applicant argues that in Postrel the points issued by an air carrier or reward server are not exchange to another point issuer but rather to the trading server. The Examiner answers that Applicant's specification teaches a transaction center which acts as a currency exchange for the issuers (see Applicant's specification page 11, lines 7-

²⁴ Postrel col 9, lines 49-55

²⁵ Postrel col 9, lines 50-55

²⁶ Postrel col 3, lines 30-40

²⁷ Postrel col 9, lines 1-10

12). Postrel's trading server is equivalent to Applicant's transaction server. Therefore, contrary to Applicant's argument, Postrel teaches Applicant's claimed invention.

The Applicant argues that Lee does not disclose the step of enabling the customer to enter the number of the first points to be sold. Furthermore, the Applicant argues that Lee does not disclose first and second points issuers, the withdrawal rate associated with the first point issuers, or the deposit rate associated with the second point issuers and that Lee does not teach that the first points are exchanged from the first point issuer to the second point issuer. The Examiner answers that Lee figures 4 and 5 teach an example when a customer sell 15,520 points of B Oil company and 500 points of B shopping club in order to buy 12,777 points of A Airline. In said example, the withdrawal rate for B Oil Company is \$.71/point (*i.e.* \$710/1000 points) and the withdrawal rate for B shopping club is \$.45/point (*i.e.* \$450/1000 points). Therefore, selling 15,520 points of B Oil Company would be converted to \$11,019 (*i.e.* 15,520 points X \$.71/point) and selling 500 points of B shopping club would be converted to \$225 (*i.e.* 500 points X \$.45/point) for a total of \$11,244 (*i.e.* \$225 + \$11,019). Using said \$11,244 to buy A airline points at a deposit rate of 1.13 points / \$ (*i.e.* 1000 points / \$880) would buy a total of 12,777 points (*i.e.* \$11,244 x 1.13 points/\$). Then adding the amount of previously hold points in the user account related to A Airline, which was 47,000 points (see figure 4) would result in a total of 59,777 points (see figure 5). Therefore, contrary to Applicant's argument, Lee teaches two point issuers, withdrawal and deposit rates and that the first points are exchanged from the first point issuer to the second point issuer.

Conclusion

7. **THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to DANIEL LASTRA whose telephone number is 571-272-6720 and fax 571-273-6720. The examiner can normally be reached on 9:30-6:00.

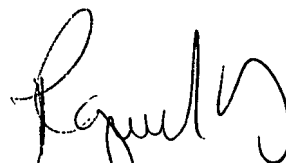
If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, ERIC W. STAMBER can be reached on 571-272-6724. The official Fax number is 571-273-8300.

Art Unit: 3622

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).



Daniel Lastra
August 9, 2007


RAQUEL ALVAREZ
PRIMARY EXAMINER